29 June 1977

Renaul 30 June

NOTE FOR: DDCI

SUBJECT: Military and Civilian Annuitants.

- 1. I am in accord with your suggestion that you ask for a meeting with the Director to include Blake and Janney, and if you agree, myself to discuss this subject. We could then let him read this memorandum, discuss it, and answer his questions.
- 2. Blake has already modified the proposed recommendation on procedures for hiring and it should be in our hands before the end of the day. LS attacked.
- 3. Blake has also read this memorandum in draft and concurs. He feels that the recommendation in paragraph six is especially important.

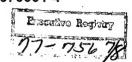
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Attachment: Memo to DCI & ER-77-7567/5

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CONFIDENTIAL



30 June 1977

| MEMORANDUM | FOR: | The | Director |
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SUBJECT

: Military and Civilian Annuitants

ANNUITANTS:

1. You commented on my recent note covering the DDA report on annuitants:

| 25X1 | a. Just can't quite pull the numbers together. |
|------|---|
| 25X1 | b. This accounts for Where are the rest? Why can't we accelerate departures over end of year? GS-15 promotions I just approved are |
| 25X1 | last year. I'd love to open up a few more by this device. |
| | 2. We erred in not recapitulating the total numbers which had been previously provided. The total number of <u>civilian</u> annuitants is as follows: |
| 25X1 | |
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3. Except for the nine full-time people (four by the end of the year) these annuitants work on an intermittent basis or when their services are required. They do not occupy position slots. They do not block head room for others. Consequently, the termination of any or all of these part-time annuitants would not open up advancement opportunities for more GS-14's or any other grade.

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- 5. Mr. Blake has modified the proposed regulation on <u>Procedures</u> for <u>Hiring of Annuitants</u> per your instructions. It is included in the folder attached for your approval.
- 6. Recommendation: In order to correct the mistaken impression that many employees have conveyed to you that promotion opportunities in the Agency are inhibited by our use of CIA annuitants, the facts as described in paragraph three should be made the subject of a special notice in an early DCI Newsletter. The basic facts are that we have not abused the annuitant system. Only four block anyone below. Many of our employees see retirees in the halls and assume they are doing something "cushy" and at their expense. Most of the annuitants are doing dirty-handed, necessary tasks for small pay. The employee misconceptions should be dealt with by communication, not by excising your flexibility to hire annuitants.

E. H. Knoche

Attachments

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